C.B. II No. 232

JOINT COMMITTEE ON OFFICES OF PROFIT

FOURTH REPORT

(FOURTH LOK SABHA)

(Presented on the 17th March, 1969)

LOK SABHA SECRETARIAT
NEW DELHI

March, 1969/Phalguna, 1890 (Saka)
Price : Re. 0.40 *P*.

CONTENTS

		PAGE
I.	COMPOSITION OF THE JOINT COMMITTEE	(iii)
II.	REPORT OF THE JOINT COMMITTEE . . .	1
APPENDIX I.	Committees, Boards etc. which ought to be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959 . .	6
APPENDIX II.	Committees, Boards etc. whose Chairmanship, Secretaryship or Membership ought not to disqualify, ...	7
APPENDIX III.	Minutes of the sittings of the Joint Committee	10

JOINT COMMITTEE ON OFFICES OF PROFIT

(FOURTH LOK SABHA)

COMPOSITION OF THE JOINT COMMITTEE

CHAIRMAN

Shri K. Narayana Rao

MEMBERS

Lok Sabha

2. Shri Nathu Ram Aherwar
3. Raja Kamakhya Prasad Singh Deo Mahindra Bahadur
4. Shri Jagannathrao Joshi
5. Shri Srinibas Mishra
6. Shri Dwaipayan Sen
7. Shri Ramavatar Shastri
8. Shri Ramshekhar Prasad Singh
*9. Shri S. M. Solanki
10. Shri Maddi Sudarsanam.

Rajya Sabha

11. Shri Sunder Singh Bhandari
12. Shri Lokanath Misra
**13. Shri Narayan Patra
14. Shri Biren Roy
15. Shri H. V. Tripathi.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

---

*Elected on the 7th March, 1970 *vice* Shri S. R. Rane (Chairman) died.

**Ceased to be Member of the Joint Committee consequent on his retirement from Rajya Sabha on the 2nd April 1970.

REPORT OF THE JOINT COMMITTEE

I

INTRODUCTION

I, the Chairman of the Joint Committee on Offices of Profit, having been authorised by the Committee to present the Report on their behalf, present this Fifth Report of the Committee.

2. Subsequent to the presentation of the Fourth Report to the House on the 17th March, 1969, the Committee held eleven *sittings on the 16th May, 20th and 21st June, 21st August, 29th and 30th September, 23rd December, 1969, 27th and 28th January, 13th March and 23rd April, 1970 and considered 68 memoranda regarding the composition and character etc. of the 'Committees' constituted by the Central and State Governments and the emoluments and allowances payable to their members.

3. Detailed information regarding the composition, character and functions etc. of the 'Committees' and emoluments and allowances payable to their members was furnished by the respective Ministries| Departments of the Central and State Governments on requests made by the Lok Sabha Secretariat.

4. The Committee considered and adopted the Report on the 23rd April, 1970.

5. The recommendations of the Committee in respect of the Committees, Boards etc., examined by them are given in the succeeding paragraphs.

II

COMMITTEES, BOARDS ETC. APPOINTED BY CENTRAL AND STATE GOVERNMENTS

6. The Committee note that the State Sales Emporia Committee of the Government Sales Emporia at Calcutta and Howrah, West Bengal exercises executive powers inasmuch as it arranges for sale at reduced price of articles, can write off 5 per cent of the total value of stock in each financial year and also fixes the selling price of goods on commercial principles. As such, the Committee feel that even membership of this Body ought to disqualify.

---

*Minutes of the sittings form part of the Report and are at Appendix III, pages 10—28

7. In regard to the Board of Review of Publications, West Bengal, the Committee note that the Board has only advisory functions. But as the Chairman and the other member of the Board get monthly honorarium which is more than 'compensatory allowance', even membership of the Board ought to disqualify.

8. The Committee note that the Panel of the Structural Fabricating Industry wields influence and exercises powers inasmuch as it determines and recommends issue of import licences for steel spares for machinery and balancing equipment for the structural and fabricating industry. As such, even membership of the Panel ought to disqualify.

9. In regard to the State Loans and Grants Committee, Uttar Pradesh, the Committee note that it wields influence and exercises both executive and financial powers inasmuch as it sanctions loans and grants to the parties who apply for loans and grants upto Rs. 15,000 and Rs. 6,000 respectively. As such, the Committee are of the opinion that even membership of the Committee ought to disqualify.

10. As regards the character and composition of the Madhya Pradesh Housing Board and Delhi Thermal Project Control Board, the Committee feel that these Boards exercise executive and financial powers and as such, even membership of these Boards ought to disqualify.

11. As regards the character and composition of Tea Board, the Committee note that though the Tea Board exercises both executive and financial powers, it ought to be exempted from disqualification in view of the specific provision made in the Tea Act, 1953 [*Section 4(3A)], according to which the office of member of the Board shall not disqualify its holder for being chosen as, or for being a member of either House of Parliament.

12. Regarding the character and composition of the Export Credit and Guarantee Corporation Limited, the Committee note that the Board of Directors of the said Corporation exercises both executive and financial powers and wields influence and patronage and as such the chairmanship of the Board ought not to be exempted from disqualification. The Committee, therefore, recommend that this body ought to be included in Part I of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

---

*4 (3A) It is hereby declared that the office of member of the Board shall not disqualify its holder for being chosen as, or for being, a member of either House of Parliament.

13. While considering Memorandum No. 135A regarding composition and functions of the Central Social Welfare Board, the Committee examined the Chairman, Central Social Welfare Board (Shrimati Neera Dogra) and the Additional Secretary, Department of Social Welfare (Shri P. P. I. Vaidyanathan) in the context of new set-up of the Board as a Government Company with effect from the 1st April, 1969.

On the basis of information furnished by the Department of Social Welfare and further elucidation given by the Chairman, Central Social Welfare Board and the Additional Secretary, Department of Social Welfare, the Committee are led to the conclusion that the Central Social Welfare Board exercises all the powers of the Company—both executive and financial.

The Committee note that all the executive powers are vested in the Executive Committee of the Board. Under †Clause 12(j) of the Articles of Association, the Executive Committee of the Board can also delegate to the various officers such administrative and financial powers as it may deem fit.

The Committee further note that under the same clause, the Chairman of the Board, being the principal officer, has been delegated with all the powers—both executive and financial.

The Committee feel that as things exist at present, the Chairman of the Board is a non-official and drawing a salary of Rs. 2,500 per month, which is more than Compensatory Allowance as defined in Clause 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. As such, the Chairman of the Central Social Welfare Board is subject to disqualification and this office should be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

The Committee recommend that any non-official member whosoever is delegated with any executive and financial powers at a subsequent date ought also to disqualify.

14. In regard to the character and composition of the Central Board of Trustees, Employees' Provident Fund, the Committee note that the Board wields financial powers by way of patronage and as such even membership of the Board ought to disqualify.

---

†12 ****the powers of the Committee shall be as follows and as per policy and procedure laid down by the General Body :

* * * * * *

(j) To delegate to any officer of the Company such administrative and financial powers as it may deem fit.

* * * * * *

15. As regards the character and composition of the Cochin Town Planning Trust, the Committee note that the Trust exercises both executive and financial powers and wields influence and patronage. The Committee, therefore, recommend that even membership of the Trust ought to disqualify.

16. The Committee also considered the character and composition of the Kerala State Coir Corporation Ltd. From the material furnished to them, the Committee observed that the Directors of the Corporation are entitled to draw T.A.|D.A. as admissible to the First Grade Officers of the State and a 'sitting fee' of Rs. 25 per sitting.

On the question whether payment of 'sitting fee' would constitute 'profit', the Committee examined a number of judicial decisions having a bearing on the term 'Office of Profit'. The Committee noted in particular the opinion tendered by the Election Commission, relevant extract reproduced below, in the case regarding Vindhya Pradesh Legislative Assembly Members, referred to it. (ELR. Vol. IV, p. 422):

> "(ii) If consideration is paid in the shape of a remuneration, 'sitting fee' or 'attendance fee', it becomes a 'profit', inasmuch as it does not even purport to cover any actual expenses. Such consideration or remuneration should be deemed to constitute 'profit' even though on detailed accounting, it may be found that no financial advantage has, in fact, been gained by the member in question."

In the light of the above opinion of the Election Commission, the Committee feel that the payment of 'sitting fee' of Rs. 25 in addition to T.A.|D.A. would be deemed to constitute 'profit'. As such, the Committee are of the opinion that even directorship of the Corporation ought to disqualify.

17. The Committee note that the character, composition and functions of the bodies mentioned in Appendix I are such that these ought to be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

18. The Committee are of the view that the composition, character and functions of the Committees, Boards etc. specified in Appendix II are such that their Chairmanship, Secretaryship or Membership ought not to disqualify.

III

GENERAL

19. The Committee observe that the term of office of members of the Panel of the Structural Fabricating Industry (Ministry of Industrial Development, Internal Trade and Company Affairs), High Level All Party Committee to tackle the problem of unemployment, Implementation and Evaluation Committee (Government of Orissa), Management Committee for Bhatkhande College of Hindustani Music, Lucknow, and Uttar Pradesh Coin Committee (Government of Uttar Pradesh) has not been fixed. The Committee desire that some term, say 2 or 3 years, as may be considered appropriate, should be fixed in case of not only these Committees/Bodies but all such Committees/Bodies set up by the Central and State Governments so that the element of perpetuity of membership is eliminated to ensure the effective working of such Committees.

IV

IMPLEMENTATION OF RECOMMENDATIONS OF THE COMMITTEE

20. In para 20 of their Fourth Report, the Committee had expressed concern at the unusual delay being caused in finalising the draft Bill based on the recommendations of the Committee made in their earlier Reports and expected that the same would be introduced in Parliament before the end of the last Budget Session. The Committee note with regret that the said Bill has not so far been finalised. The Committee trust that there will be no further delay in the matter and the Bill will be introduced in Parliament latest during the next Monsoon Session.

K. NARAYANA RAO,
Chairman,
Joint Committee on Offices of Profit.

NEW DELHI;
The 27th April, 1970.

APPENDIX I

(*Vide* para 17 of the Report)

Committees, Boards etc. which ought to be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

1. The Andhra Pradesh Charitable and Hindu Religious Institutions and Endowments Common Good Fund Committee.
2. Board of Secondary Education, Madhya Pradesh.

APPENDIX II

(*Vide* para 18 of the Report)

Committees, Boards etc. whose Chairmanship, Secretaryship or Membership ought not to disqualify

UNDER CENTRAL GOVERNMENT

1. Central Advisory Board of Education.
2. Book Stall Advisory Committees.
3. Catering Supervisory Committees. (Ministry of Railways).
4. Indian National Committee for co-operation with UNIDO (Ministry of Industrial Development, Internal Trade and Company Affairs).
5. Central Maternal and Child Welfare Advisory Committee.
6. Advisory Board attached to the National Sugar Institute, Kanpur (Ministry of Food, Agriculture, Community Development & Cooperation).
7. State Advisory Committees of the National Cadet Corps for the States of Haryana and Nagaland (Ministry of Defence).
8. Gandak Control Board (Ministry of Irrigation and Power).
9. National Railway Users' Consultative Council.
10. Central Advisory Committee for the Territorial Army (Ministry of Defence).
11. Central Advisory Committee for Agricultural Production (Ministry of Food, Agriculture, Community Development and Cooperation).
12. Irrigation Commission (Ministry of Irrigation and Power).
13. Uneconomic Branch Lines Committee, 1969 (Ministry of Railways—Railway Board).
14. Zonal Railway Users' Consultative Committee (Ministry of Railways).

15. Regional/Divisional Railway Users' Consultative Committees (Ministry of Railways).

16. Bharatiya Sahitya Mala Prakashan Samiti (Ministry of Education and Youth Services).

17. Committee of Writers (Ministry of Education and Youth Services).

18. Experts Advisory Committee to advise the Central Institute of Indian Languages, Mysore (Ministry of Education and Youth Services).

19. Regional Committees on Employees' Provident Fund.

UNDER STATE GOVERNMENTS

Andhra Pradesh

1. State Transport Advisory Committee.
2. Andhra Pradesh State Electricity Consultative Council.
3. District Committee on Employment, Eluru.
4. District Committee on Employment, Anantapur.

Maharashtra

1. Maharashtra State Board for Archives and Archaeology.
2. Maharashtra State Museum Committee.
3. Regional Rationing Advisory Committees in Rationing Areas of Bombay and Thana.

Orissa

1. State Board of Forestry.
2. Standing Committee on Wild Life Conservation.
3. State Labour Advisory Board.
4. District Committee on Employment for the area covered by the Employment Exchange, Balasore.
5. State Committee on Employment.
6. High Level All Party Committee to tackle the problem of un-employment.
7. Implementation and Evaluation Committee.

Punjab

National Savings State Advisory Board.

Uttar Pradesh

1. Standing Farms Committee.
2. Local Advisory Committees of U.P. State Electricity Board.
3. State Advisory Committee for Rehabilitation of Goldsmiths.
4. Management Committee for Bhatkhande College of Hindustani Music, Lucknow.
5. Advisory Committee for Government College of Arts and Crafts, Lucknow.
6. Advisory Committee for Archaeology.
7. State Agricultural Board.
8. Exhibits Purchase Committee for Museums.
9. Uttar Pradesh Coin Committee.
10. Advisory Committee for the U. P. State Observatory, Nainital.
11. U.P. Museums Advisory Board.
12. U.P. Regional Records Survey Committee and Purchase Committee.
13. State Council of Scientific and Industrial Research.
14. State Lalit Kala Akademi, Uttar Pradesh.
15. U.P. Molasses Advisory Committee.

West Bengal

1. Advisory Committee for the Government Sales Emporia.
2. Governing Body for the management of the affairs of the Bengal Veterinary College.

Union Territory of Delhi

Advisory Council of Delhi Development Authority.

APPENDIX III

MINUTES OF JOINT COMMITTEE ON OFFICES OF PROFIT

I

Twentieth Sitting

The Committee met on Friday, the 16th May, 1969 from 15.00 to 16.00 hours.

PRESENT

Shri Sunder Singh Bhandari—*in the Chair.*

MEMBERS

Lok Sabha

2. Shri Nathu Ram Aherwar
3. Shri Jagannathrao Joshi
4. Shri Srinibas Mishra
5. Shri Ramavatar Shastri

Rajya Sabha

6. Shri Lokanath Misra
7. Shri Narayan Patra
8. Shri Biren Roy
9. Shri H. V. Tripathi

Secretariat

Shri M. C. Chawla—*Deputy Secretary.*

2. In the absence of Shri S. R. Rane, Chairman of the Committee, Shri Sunder Singh Bhandari was elected Chairman for the sitting.

3. The Committee took up consideration of Memoranda Nos. 161 to 180 and 135A relating to the various Committees/bodies constituted by the Central and State Governments.

4. The Committee were of the opinion that the composition and character of the following Committees/bodies were such

that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

1. Central Advisory Board of Education.
2. Book Stall Advisory Committees.
3. Catering Supervisory Committees (Ministry of Railways).
4. Indian National Committee for Co-operation with UNIDO (Ministry of Industrial Development, Internal Trade and Company Affairs).
5. Central Maternal and Child Welfare Advisory Committee.
6. State Transport Advisory Committee (Andhra Pradesh).
7. State Board of Forestry (Government of Orissa).
8. Standing Committee on Wild Life Conservation (Government of Orissa).
9. Advisory Council of Delhi Development Authority.
10. National Savings State Advisory Board (Government of Punjab).
11. Advisory Board attached to the National Sugar Institute, Kanpur (Ministry of Food, Agriculture, Community Development and Co-operation).
12. Maharashtra State Board for Archives and Archaeology (Government of Maharashtra).
13. Maharashtra State Museum Committee (Government of Maharashtra).
14. Regional Rationing Advisory Committees for Rationing Areas of Bombay and Thana.
15. State Advisory Committees of the National Cadet Corps for the States of Haryana and Nagaland (Ministry of Defence).

5. The Committee noted that the composition and character of the following Committee/Board were such that chairmen and Secretaries thereof should not be exempted from disqualification and that recommendation should be made for their inclusion in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959:—

1. The Andhra Pradesh Charitable and Hindu Religious Institutions and Endowments Common Good Fund Committee.

2. Board of Secondary Education, Madhya Pradesh.

6. The Committee deferred consideration of Memorandum No. 135A relating to the Central Social Welfare Board which was to be re-cast in the light of latest set-up of the Board as Government Company.

7. The Committee postponed consideration of Memoranda Nos. 165, 178 and 179 in respect of the undermentioned Boards/Committees till the receipt of further information from the Central Government on the points mentioned against them:—

Name of the Board/Committee	Points
1. Delhi Thermal Project Control Board (Ministry of Irrigation and Power).	(1) Why the term of members of the Board has not been fixed?
	(2) Whether any other member has been included in the Board or not?
	(3) Whether any remuneration is paid to the non-official members. If so, the details thereof.
	(4) The manner in which the financial powers of the Board are exercised.
2. (a) Central Board of Trustees, Employees Provident Fund.	(a) Why the term of Office for the Chairman and official members of the Board has not been fixed?
(b) Regional Committees on Employees Provident Fund set up in the various States. (Ministry of Labour Employment and Rehabilitation.	(b) Why no term of office for the Regional Committees has been fixed?
3. Boats and Crafts Committee (Ministry of Industrial Development, Internal Trade and Company Affairs).	Why the term of office of members has not been fixed?

8. The Committee then adjourned to meet again at 14.30 hrs. daily on Friday and Saturday, the 20th and 21st June, 1969, respectively.

II

Twenty-first Sitting

The Committee met on Friday, the 20th June, 1969 from 14.30 to 15.30 hours.

PRESENT

Shri H. V. Tripathi—*in the Chair.*

'compensatory allowance' as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. But as the Board exercised both administrative and financial powers of a Ministry of the Government of India in matters relating to the P & T Workshops Organisation, the Committee felt that their members wielded influence and possessed power of patronage. As such, the Committee decided to recommend that even membership of the Board ought to disqualify.

3. The Committee then took up consideration of Memorandum No. 119 relating to the question whether the character and composition of the Council of Scientific and Industrial Research which was a body registered under the Societies Registration Act, 1860 and its various Sub-committees should be excluded from the purview of the Joint Committee on Offices of Profit.

In this connection, the Chairman referred to the earlier decision taken by the Joint Committee on Offices of Profit (Third Lok Sabha) *vide* their Fourth Report that "the composition and character etc. of the bodies registered under the Societies Registration Acts need not generally be examined by them unless any particular case merited consideration by them".

A point was raised that although the C.S.I.R. was a society registered under the Societies Registration Act, 1860 yet it functioned more or less under the control of the Government in-as-much as the appointments to the Governing body were made by Government and members thereof could be removed by Government. It was explained to the Committee that C.S.I.R. was an autonomous body and merely because Government had a hand in appointing members of the Governing body it did not make any difference in its character.

The Committee also noted the following observations made by the Supreme Court in Maulana Abdul Shakur Vs. Rikhab Chand and others (1957 E.L.R. Vol. XIII, P. 149):—

> "No doubt the Committee of the Durgah Endowment is to be appointed by the Government of India but it is a body corporate with perpetual succession acting within the four corners of the Act. Merely because the Committee or the members of the committee are removable by the Government of India or the Committee can make bye-laws prescribing the duties and powers of its employees

cannot in our opinion convert the servants of the Committee into holders of office of profit under the Government of India.'

4. After discussing the matter at some length, the Committee decided that the present practice might continue that the Committees/bodies registered under the Societies Registration Acts need not generally be examined by them. But, if any particular case merited consideration by them, it should be examined despite the fact that the body was registered under any of the Societies Registration Acts (Central or States).

5. The Committee then adjourned.

III

Fifteenth Sitting

The Committee met on Tuesday, the 13th August, 1968 from 16.00 to 17.00 hours.

PRESENT

Shri S. R. Rane—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nathu Ram Aherwar
3. Raja Kamakhya Prasad Singh Deo Mahindra Bahadur
4. Shri Jagannathrao Joshi
5. Shri Srinibas Mishra
6. Shri K. Narayana Rao
7. Shri Dwaipayan Sen
8. Shri Ramavatar Shastri
9. Shri Maddi Sudarsanam

Rajya Sabha

10. Shri Lokanath Misra.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memorandum No. 120 regarding the character and composition of the National Textile Corporation Ltd., in connection with the enquiry made by the Ministry of Commerce whether a non-official who was appointed as

Chairman of that body would incur any disqualification for election as a Member of Parliament.

3. The Committee noted that the Corporation was wholly owned by the Central Government and its main function was to manage on behalf of the Government of India the Cotton Textile Mills that might be taken over by Government under the Cotton Textile Companies (Management of Undertakings and Liquidation or Reconstruction) Act, 1967 and in that process render financial and technical assistance to units in need of it. The Corporation might also set up, subject to resources being available, new cotton textile mills.

4. The Committee further noted that the appointment of the non-officials as Chairman of the Corporation was honorary and no remuneration other than 'compensatory allowance' as defined in the Parliament (Prevention of Disqualification) Act, 1959 was proposed to be paid to him.

5. The Committee noted that in their O.M. No. 14(5)/Tex(G)/68, dated the 2nd August, 1968, the Ministry of Commerce had elucidated the matter thus :

" * * * * *

(i) The Chairman of the Corporation as such has no specified powers and functions under the Memorandum and Articles of Association of the Corporation beyond presiding over meetings of the Board of Directors (Article 68) and the powers incidental thereto such as having a casting vote [Article 96(2)], reserving certain proposals or decisions for the decision of the President (Article 98) etc.

(ii) The Chairman will not exercise any executive or financial powers;

(iii) The executive authority of the Board of Directors of the the Corporation will be vested in the Managing Director and he will be the Chief executive officer of the Company.

(iv) The Memorandum and Articles of Association of the Corporation does not provide any scope for the Chairman to wield any influence or possess power of patronage in the exercise of his functions as Chairman;

(v) No perquisites other than "compensatory allowance" as defined in the Parliament (Prevention of Disqualification) Act, 1959 will be provided to the Chairman, as already indicated in paragraph 2 of this Ministry's Memorandum of even number dated the 26th July, 1968."

6. On the basis of the information furnished by the Ministry of Commerce and in the light of the particulars set forth in the Memorandum and Articles of Association of the Company, the Committee concluded that:

(i) the main function of the Chairman was to preside over the meetings of the Board of Directors and to reserve certain proposals or decisions for the decision of the President;

(ii) the executive authority of the Board of Directors was vested in the Managing Director and he was the Chief executive officer of the Company;

(iii) the post of the Chairman was honorary and no remuneration other than "compensatory allowance" as defined in Section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959 was proposed to be paid to him;

(iv) the Chairman would not wield any influence or possess any power of patronage in the exercise of his functions as Chairman;

(v) the Corporation could have not less than two and not more than seven Directors. All the Directors including the Managing Director and the Chairman were appointed by the President. Under Article 86(b) "the President may also appoint any of the Directors or any other person, Financial Advisers, Secretary, Chief Accounts Officer, General Manager for such term and on such remuneration as he may think fit and may from time to time remove him or them from office and appoint any other or others in his or their place or places".

Thus the power of making appointments to all important posts in connection with the management of the affairs of the Corporation lay with the President and the Chairman had no hand in their selection.

7. The Committee also noted that under similar circumstances the Joint Committee on Offices of Profit (Third Lok Sabha) had recommended that the Chairmanship of the National Shipping Board and Oil India Ltd. ought not to disqualify. The Committee felt that on the same analogy, the Chairmanship of the National Textile Corporation Ltd. ought to be exempted from disqualification; but the Managing Director who was the Chief executive Officer of the Corporation ought not to be exempted from disqualification.

8. The Committee, however, observed that under Article 103 of the Constitution, it was provided that "if any question arises as to whether a member of either House of Parliament had become subject to any of the disqualifications mentioned in clause (1) of Article 102, the question shall be referred to the decision of the President and his decision shall be final and that before giving any decision on any such question, the President shall obtain the opinion of the Election Commission and shall act according to such opinion and consequently the opinion of the Election Commission was effective and crucial in such matters.

9. The Committee decided to examine the character and composition of the Aeronautics Committee set up by the Ministry of Defence although the present term of the Committee was upto the 30th September, 1968.

10. The Committee then adourned till 16.00 hours on Wednesday, the 28th August, 1968.

IV

Sixteenth Sitting

The Committee met on Wednesday, the 28th August, 1968 from 17.00 to 18.00 hours.

PRESENT

Shri S. R. Rane—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nathu Ram Aherwar
3. Raja Kamakhya Prasad Singh Deo Mahindra Bahadur
4. Shri Jagannathrao Joshi
5. Shri Srinibas Mishra
6. Shri Ramavtar Shastri
7. Shri Maddi Sudarsanam

Rajya Sabha

8. Shri Sunder Singh Bhandari
9. Shri Lokanath Misra
10. Shri Narayan Patra
11. Shri H. V. Tripathi

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memorandum No. 121 regarding the character and composition of the Aeronautics Committee (Ministry of Defence).

3. The Committee noted that the non-official Chairman of the Aeronautics Committee (Shri C. Subramaniam) had been allowed a lump-sum monthly payment of Rs. 850/- in lieu of daily allowance and he had been allotted a furnished and rent-free residence at New Delhi where his office was also located. The Committee also noted that one non-official member (Shri S. S. Khera) had been allowed Rs. 60/- per day as daily allowance whenever he was engaged on the work of the Committee at a place outside his home town.

4. The Committee further noted that the Chairman and the other two non-official members of the Aeronautics Committee were entitled to travel by first class or A.C.C. by train or by air at their own discretion.

5. After discussing the matter at considerable length, the Committee decided to postpone further consideration of the memorandum till the receipt of information from the Ministry of Defence on the following points:—

(i) What was the total rent of the residence allotted to the Chairman at New Delhi and what was the proportionate rent of the portion occupied for residential and for the office purposes respectively;

(ii) Whether the permission granted to the Chairman and other non-official members to travel by A.C.C. or by air at their own discretion was in conformity with the rules laid down in the Ministry of Finance O.M. No. F.6(26) E.IV|59, dated the 5th September, 1960, as amended from time to time;

(iii) Whether Dr. S. Dhawan, Director, Indian Institute of Science, Bangalore, had been rightly designated as a 'non-official member' in the sanction letter No. 0112/AC/67, dated the 8th January, 1968. It might may please be clarified whether Dr. S. Dhawan was getting his salary from a Government source;

(iv) Whether the payment of Rs. 60/- as daily allowance to Shri S. S. Khera was in conformity with the rules laid

down in the Ministry of Finance O.M. No. F.6 (26)E.IV/59, dated the 5th September, 1960, as amended from time to time.

6. The Committee then adjourned.

V

Seventeenth Sitting

The Committee met on Monday, the 11th November, 1968 from 15.00 to 16.00 hours.

PRESENT

Shri S. R. Rane—*Chairman*

MEMBERS

Lok Sabha

2. Raja Kamakhya Prasad Singh Rao Mahindra Bahadur
3. Shri Jagannathrao Joshi
4. Shri Srinibas Mishra
5. Shri Ramavatar Shastri

Rajya Sabha

6. Shri Sunder Singh Bhandari
7. Shri Biren Roy

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memoranda Nos. 122 to 135, 116A and 121A relating to the various Committees/bodies constituted by the Central and State Governments.

3. The Committee were of the opinion that the composition and character of the following Committees/bodies were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

(1) Advisory Committee for the Development of Medical Instruments, Equipment and Appliances (Ministry of Industrial Development and Company Affairs).

(2) Committee for Controlling and Supervising Experiments on Animals (Ministry of Food, Agriculture, C. D. and Cooperation).

(3) Enquiry Committee on Film Censorship (Ministry of Information and Broadcasting).

(4) National Council for Womens' Education (Ministry of Education).

(5) Oil Prices Committee (Ministry of Petroleum and Chemicals).

(6) Panel for Instruments (Ministry of Industrial Development and Company Affairs).

(7) Rabindra Rangshala Committee (Ministry of Works, Housing and Supply).

(8) Andhra Pradesh Labour Advisory Board (Andhra Pradesh).

(9) State Family Planning Council (Andhra Pradesh).

(10) District Committees on Employment in Six Districts of Haryana (Haryana).

4. The Committee noted that the Board of Trustees, Coal Mines Provident Fund (Memo No. 133) exercised both executive and financial powers in the administration of the Coal Mines Provident Fund Scheme and as such the Chairmanship of the Board ought not to be exempted from disqualification. The Committee, therefore, recommended that this body might be included in Part I of the Schedule to the Act.

5. The Committee then took up consideration of Memorandum No. 121A relating to the Aeronautics Committee in the light of further information furnished by the Ministry of Defence.

The Committee felt that the lumpsum monthly payment of Rs. 850/ to the Chairman of the Aeronautics Committee in lieu of daily allowance was not a good practice and that Government might consider the desirability of paying daily allowance on daily basis *i.e.*, for the actual number of days for which the Chairman went out on tour.

The Committee were also of the view that the non-official member (Shri S. S. Khera) was getting remuneration which was more than the 'Compensatory allowance' and as such he ought not to be exempted from disqualification.

6. The Committee postponed consideration of Memoranda Nos. 125, 131, 134 and 135 in respect of the undermentioned Boards till

the receipt of further information from the Central/State Governments on the points mentioned against each:—

Name of the Board	Points
1. Food and Nutrition Board (Memo No. 125).	(1) What powers are exercised and what is the nature of the executive functions performed by the members of the Board?
	(2) Whether the Board merely renders advice to the Government and it is for the Government to take the final decision on any matter?
2. Orissa Board of Communication and Transport (Memo No. 131).	(1) What powers are exercised and what is the nature of the executive functions performed by the members of the Board?
	(2) Whether the final decision on any matter rests with the Ministry of Tranport who is the Chairman of the Board?
3. Board of Trustees for the Port of Paradip (Memo No. 134).	(1) Whether any M.L.A. is serving as a non-official member of the Board?
	(2) If so, what are the executive and financial powers exercised by him as a member of the Board?
4. Central Social Welfare Board (Memo No. 145).	(1) What powers are exercised and what is the nature of the executive functions performed by the members of the Board?
	(2) Whether the final decision on any matter rests with the Board or its Chairman?

Name of the Board	Points
	(3) Whether the Board merely renders advice to the Government and it is for the Department of Social Welfare to take the final decision?

7. The Committee then adjourned.

VI

Eighteenth Sitting

The Committee met on Saturday, the 25th January, 1969 from 11.00 to 13.00 hours.

PRESENT

Shri S. R. Rane—*Chairman*

MEMBERS

Lok Sabha

2. Shri Nathu Ram Aherwar
3. Raja Kamakhya Prasad Singh Deo Mahindra Bahadur
4. Shri Jagannathrao Joshi
5. Shri Srinibas Mishra
6. Shri Dwaipayan Sen
7. Shri Ramshekhar Prasad Singh
8. Shri Maddi Sudarsanam

Rajya Sabha

9. Shri Sunder Singh Bhandari
10. Shri Lokanath Misra
11. Shri Narayan Patra
12. Shri Biren Roy
13. Shri H. V. Tripathi.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee took up consideration of Memoranda Nos. 136 to 160, 125A, 131A and 134A relating to the various Committee/ bodies constituted by the Central and State Governments.

3. The Committee were of the opinion that the composition and character of the following Committees/bodies were such that the Chairmanship or Secretaryship or Membership thereof ought not to disqualify:—

(1) Advisory Committee for the Delhi Milk Scheme (Ministry of Food, Agriculture, Community Development and Cooperation).

(2) Committee on Labour Welfare (Ministry of Labour, Employment and Rehabilitation).

(3) Committee to review the activities of Research and Development Organisation for Electrical Industry, Bhopal (Ministry of Industrial Development and Company Affairs).

(4) Development Council for Textile Machinery Industry (Ministry of Industrial Development and Company Affairs).

(5) Dock Workers Advisory Committee (Ministry of Labour, Employment and Rehabilitation).

(6) Food and Nutrition Board (Ministry of Food, Agriculture, Community Development and Cooperation).

(7) Indian Soldiers', Sailors' and Airmen's Board (Ministry of Defence).

(8) Maulana Azad Mazar Committee (Ministry of Works, Housing and Supply).

(9) Newsprint Advisory Committee (Ministry of Information and Broadcasting).

(10) Tripartite Committee on Iron and Steel (Ministry of Labour, Employment and Rehabilitation).

(11) Managing Committee for the Government Tailoring Institute, Calcutta (West Bengal).

(12) Orissa Board of Communication and Transport (Orissa).

(13) Regional Committee on Employment, Kurnool (Andhra Pradesh).

(14) State Social Welfare Advisory Committee (Andhra Pradesh).

4. The Committee noted that the Chairman and Secretary of the Iron Ore Mines Labour Welfare Fund Advisory Committee for Goa, Daman adn Diu (Memo. No. 145) were officials and they exercised financial powers. As such, the Committee decided to recommend that this Committee ought to be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

5. The Committee then took up consideration of Memoranda Nos. 134A and 146 relating to the character and composition of the Boards of Trustees for the Ports of Paradip and Mormugao.

The Committee felt that as these Boards exercised executive and financial powers and possessed powers of appointment to certain posts, even membership of the Boards ought to disqualify.

6. Regarding the character and composition of Goa Shipyard Ltd. (Memo. No. 147) the Committee noted that the non-official Directors were getting remuneration which was more than the "compensatory allowance" and the Board also exercised executive and financial powers. As such, the Committee were of the opinion that Chairmanship, Membership and Secretaryship of the Board ought to disqualify.

7. The Committee noted that the non-official members of the Jury for Jawaharlal Nehru Award for International Understanding (Memo. No. 148) wielded influence and possessed power of patronage inasmuch as they made the selection for the Award of Rupees one lakh provided by the Government of India. As such, the Committee were of the opinion that even membership of the Jury ought to disqualify.

8. As regards the character and composition of State Transport Authority, Haryana, (Memo. No. 153) Regional Transport Authority Ambala (Memo. No. 154) and State Transport Authority for the Union Territory of Dadra and Nagar Haveli (Memo. No. 155), the Committee noted that these Committees exercised executive powers under the various provisions of the Motor Vehicles Act, 1939. As such, these bodies ought to be included in Part II of the Schedule to the Parliament (Prevention of Disqualification) Act, 1959.

9. The Committee noted that the Directors of the Assam Small Industries Development Corporation Ltd. (Memo. No. 156) were getting remuneration which was more than the 'compensatory allowance' and the Board also exercised executive and financial powers. The Committee thus decided to recommend that even Directorship of the Corporation ought to disqualify.

10. Regarding the character and composition of the District and Divisional Selection Boards, Maharashtra (Memoranda Nos. 157-158), the Committee noted that the non-official members serving thereon were getting an honorarium which was more than the "compensatory allowance" and they also wielded influence. As such, the Committee felt that even membership of the Boards ought to disqualify.

11. The Committee noted that the non-official members serving on the Planning Board for the Hill Areas of Assam (Memo. No. 159) were getting an honorarium of Rs. 100 p.m. which was not permissible under section 2(a) of the Parliament (Prevention of Disqualification) Act, 1959. As such, the Committee were of the view that membership of the Board ought not to be exempted from disqualification.

12. The Committee noted that the members of the State Managing Committee for the Special Fund for Reconstruction and Rehabilitation of Ex-Servicemen, Andhra Pradesh (Memo. No. 160) exercised financial powers and controlled the disbursement of the Special Fund. As such, the Committee felt that even membership of this body ought to disqualify.

13. The Committee postponed consideration of Memorandum No. 149 relating to the Governing Body for the management of the affairs of the Bengal Veterinary College (West Bengal) till the receipt of further information from the State Government in respect of the following points:—

(1) Whether any executive and financial powers are exercised by the Governing Body? If so, what is the exact scope of those powers?

(2) Detailed functions of the Governing Body.

14. The Committee desired that the Ministry of Law might be asked to intimate the latest position regarding the implementation of the recommendations made by the Joint Committee on Offices of Profit in their earlier Reports and when the proposed Bill, based on those recommendations, was likely to be introduced in the House.

15. The Committee then adjourned.

VII

Nineteenth Sitting

The Committee met on Tuesday, the 11th March, 1969 from 10.00 to 10.30 hours.

PRESENT

Shri S. R. Rane—*Chairman*

MEMBERS

Lok Sabha

2. Raja Kamakhya Prasad Singh Deo Mahindra Bahadur
3. Shri Jagannathrao Joshi
4. Shri K. Narayana Rao
5. Shri Ramshekhar Prasad Singh
6. Shri Maddi Sudarsanam

Rajya Sabha

7. Shri Lokanath Misra.

SECRETARIAT

Shri M. C. Chawla—*Deputy Secretary.*

2. The Committee considered their Draft Fourth Report and adopted it without amendment.

3. The Committee decided that the Report might be presented to Lok Sabha on the 17th March, 1969 and laid on the Table of Rajya Sabha on the same day.

4. The Committee authorised the Chairman and, in his absence, Shri Jagannathrao Joshi to present the Report to Lok Sabha on their behalf.

5. The Committee authorised Shri Lokanath Misra and, in his absence, Shri Biren Roy to lay the Report on the Table of Rajya Sabha.

6. The Committee then adjourned.

GMGIPND—L S I—3514 (B) L S—21-3-69—900.

© 1969 By the Lok Sabha Secretariat.

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fifth Edition) and printed by the General Manager, Government of India Press, Minto Road, New Delhi.